SASKATCHEWAN DEVELOPMENT FUND CORPORATION AND SASKATCHEWAN DEVELOPMENT FUND

2009 ANNUAL REPORT

SASKATCHEWAN DEVELOPMENT FUND CORPORATION

BOARD OF DIRECTORS

Honourable June Draude, Chair
Honourable Rod Gantefoer, Vice-Chair
Honourable Ken Cheveldayoff

OFFICERS

John Amundson, CA
General Manager

Dorothy Toews
Treasurer

Terry Ross
Corporate Secretary

INVESTMENT MANAGEMENT

Greystone Managed Investments Inc.

GENERAL INQUIRY TELEPHONE NUMBERS

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SASKATCHEWAN DEVELOPMENT FUND CORPORATION AND SASKATCHEWAN DEVELOPMENT FUND

ANNUAL REPORT

For the Year Ended

December 31, 2009

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LETTER OF TRANSMITTAL

Regina, Saskatchewan
February 5, 2010

To His Honour
The Honourable Dr. Gordon L. Barnhart
Lieutenant Governor of the Province of Saskatchewan

Sir:

I have the honour to submit herewith the Annual Reports of the Saskatchewan Development Fund Corporation and the Saskatchewan Development Fund for the year ended December 31, 2009, in accordance with **The Saskatchewan Development Fund Act**. The financial statements are in the form approved by the Treasury Board and have been reported on by the Corporation's auditors.

I have the honour to be, Sir,

Your obedient servant,

Minister Responsible for Crown Investments Corporation

ANNUAL REPORT

OF

SASKATCHEWAN DEVELOPMENT FUND CORPORATION

FOR THE YEAR ENDED

December 31, 2009

SASKATCHEWAN DEVELOPMENT FUND CORPORATION

HISTORY AND 2009 HIGHLIGHTS

The Saskatchewan Development Fund Corporation (the Corporation) was established in 1974 under **The Saskatchewan Development Fund Act** to perform the duties of trustee, custodian and manager for the Saskatchewan Development Fund (the Fund), an open-end investment trust. The Corporation initially managed the affairs of the Saskatchewan Development Fund and in return received management fees and sales charges from the Fund.

In 1976, the Corporation expanded its operations to include an annuity business which offered several different types of annuities to the public. These annuities included term-certain annuities for those who wished to receive a retirement income, Income Averaging Annuity Contracts (IAAC's) during the period of time when these annuities were popular and general annuities for those who desired an investment vehicle with combined savings and growth potential.

During 2009, the Board of Directors of SDFC resolved to close the Fund. On December 31, 2009, the Fund had redeemed all remaining accounts and closed operations. SDFC will continue to manage its annuity business until its final contacts expire in 2013.

In 1988, the Corporation entered into an agreement with Greystone Managed Investments Inc. (Greystone) to provide investment counsel with respect to the Corporation's investment activities. The Corporation has provided Greystone with a statement of investment policies and guidelines which were designed to provide optimum investment returns. On February 24, 2005, the Corporation invested their short-term investments in the Greystone Money Market Fund. This action was taken to simplify cash management.

At December 31, 2009, the present value of the Corporation's annuities payable were $71.6 thousand on 7 outstanding annuity contracts compared to an annuity liability of $119.2 thousand on 10 annuity contracts at December 31, 2008. The annuity liability and the number of contracts outstanding have decreased steadily since their highest level in 1981 when the annuity liability reached $36.7 million on more than 700 annuity contracts.

The Corporation's net earnings for the year ended December 31, 2009 were $70.8 thousand as compared to $82.4 thousand for the same period in 2008. The Corporation's level of income has remained consistent as costs are reducing in conjunction with decreasing revenue. With the closing of SDF, the Corporation will no longer collect management fee further reducing revenue. Costs will decrease in conjunction, as SDFC will have no costs relating to administration of SDF.

The Corporation's investments exceeded its liabilities at December 31, 2009 by more than $2.3 million. As a result, the Corporation has an adequate level of investments to provide for future obligations. A complete list of the Corporation's investments at December 31, 2009 is found on page 12.

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

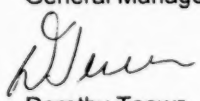
The accompanying Financial Statements have been prepared by management of Saskatchewan Development Fund Corporation. They have been prepared in accordance with generally accepted accounting principles in Canada, consistently applied, using management's best estimates and judgments where appropriate. Management is responsible for the reliability and integrity of the Financial Statements and other information contained in this Annual Report.

The Corporation's Board of Directors is responsible for overseeing the business affairs of the Corporation and also has the responsibility for approving the financial statements. The Board of Directors meets with management, and when necessary, the Corporation's external auditors Dudley & Company, LLP and the Provincial Auditor of Saskatchewan on matters relating to the financial process.

Management maintains a system of internal controls to ensure the integrity of information that forms the basis of the Financial Statements. The internal controls provide reasonable assurance that transactions are executed in accordance with proper authorization, that assets are properly guarded against unauthorized use and that reliable records are maintained. The Provincial Auditor of Saskatchewan has reported to the Legislative Assembly that these controls are adequately functioning.

Dudley & Company, LLP has audited the Financial Statements. Their report to the Members of the Legislative Assembly, stating the scope of their examination and opinion on the Financial Statements, appears on the following page.

John Amundson, CA
General Manager



Dorothy Toews
Treasurer

February 5, 2010

AUDITORS' REPORT

To the Members of the Legislative Assembly
Province of Saskatchewan

We have audited the statement of financial position of the Saskatchewan Development Fund Corporation as at December 31, 2009 and the statements of operations and comprehensive income, retained earnings and cash flows for the year then ended. These financial statements are the responsibility of the Corporation's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Corporation as at December 31, 2009 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Dudley + Company LLP

Chartered Accountants
Regina, Saskatchewan

February 5, 2010

SASKATCHEWAN DEVELOPMENT FUND CORPORATION

STATEMENT OF FINANCIAL POSITION

As at December 31

	2009	2008
ASSETS		
Current Assets		
Cash	$ 67,194	$ 385
Investments (Note 3)	2,349,229	2,843,651
	$ 2,416,423	$ 2,844,036
LIABILITIES AND PROVINCE'S EQUITY		
Current Liabilities		
Accounts payable	$ 9,315	$ 9,293
Due to Saskatchewan Development Fund	-	810
Current portion of annuities payable (Note 4)	43,935	47,610
	53,250	57,713
Annuities payable (Note 4)	27,669	71,604
	80,919	129,317
Province of Saskatchewan's Equity		
Equity advances (Note 5)	700,000	1,150,000
Retained earnings	1,635,504	1,564,719
	2,335,504	2,714,719
	$ 2,416,423	$ 2,844,036

(See accompanying notes)

On behalf of the Board:

_____, Director

_____, Director

SASKATCHEWAN DEVELOPMENT FUND CORPORATION

STATEMENT OF OPERATIONS AND COMPREHENSIVE INCOME

For the Year Ended December 31

	2009	2008
REVENUE		
Investment	**$ 100,607**	$ 121,670
Fund management fees (Note 6)	**10,441**	21,227
	111,048	142,897
EXPENSES		
Interest - annuities	**12,626**	19,415
Administrative	**27,637**	41,059
	40,263	60,474
NET EARNINGS	**70,785**	82,423
OTHER COMPREHENSIVE INCOME	**-**	-
COMPREHENSIVE INCOME	**$ 70,785**	$ 82,423

(See accompanying notes)

SASKATCHEWAN DEVELOPMENT FUND CORPORATION

STATEMENT OF RETAINED EARNINGS

For the Year Ended December 31

	2009	2008
RETAINED EARNINGS, BEGINNING OF YEAR	**$ 1,564,719**	$ 1,482,296
NET EARNINGS	**70,785**	82,423
RETAINED EARNINGS, END OF YEAR	**$ 1,635,504**	$ 1,564,719

(See accompanying notes)

SASKATCHEWAN DEVELOPMENT FUND CORPORATION

STATEMENT OF CASH FLOWS

For the Year Ended December 31

	2009	2008
OPERATING ACTIVITIES		
Net earnings	**$ 70,785**	$ 82,423
Deduct non-cash item:		
Amortization of discounts and premiums	**(99,526)**	(116,104)
	(28,741)	(33,681)
Net change in non-cash working capital balances related to operations (Note 7)	**(788)**	(1,319)
Cash used in operating activities	**(29,529)**	(35,000)
INVESTING ACTIVITIES		
Purchase of investments - held-to-maturity	**-**	(339,816)
Purchase of investments - held-for-trading	**(51,052)**	(85,348)
Proceeds from sale of investments - held-to-maturity	**585,000**	468,000
Proceeds from sale of Investments - held-for-trading	**60,000**	-
Cash provided by investing activities	**593,948**	42,836
FINANCING ACTIVITIES		
Repayment of annuities payable	**(47,610)**	(51,380)
Repayment of equity advance - CIC	**(450,000)**	-
Cash used in financing activities	**(497,610)**	(51,380)
NET INCREASE (DECREASE) IN CASH DURING THE YEAR	**66,809**	(43,544)
CASH POSITION, BEGINNING OF YEAR	**385**	43,929
CASH POSITION, END OF YEAR	**$ 67,194**	$ 385

(See accompanying notes)

SASKATCHEWAN DEVELOPMENT FUND CORPORATION

NOTES TO FINANCIAL STATEMENTS

December 31, 2009

1. Status of the Corporation

SDFC was established in 1974 under **The Saskatchewan Development Fund Act** to perform the duties of trustee, custodian and manager for the Saskatchewan Development Fund (the Fund). In 1976, SDFC also instituted an annuity business as part of its operations. The annuity operations are reflected in these financial statements. Effective January 1, 1986, SDFC ceased to offer new annuities to the public.

During 2009, the Board of Directors of SDFC resolved to close the Fund. On December 31, 2009, the Fund had redeemed all remaining accounts and closed operations.

SDFC has been designated by Order-in-Council as a corporation to which the provisions of **The Crown Corporations Act, 1993** apply. Accordingly, the financial results of the Corporation are included in the consolidated financial statements of Crown Investments Corporation of Saskatchewan (CIC).

SDFC is a Provincial Crown corporation and therefore is not subject to Federal or Provincial income tax.

2. Summary of Significant Accounting Policies

The Saskatchewan Development Fund Corporation's (SDFC) financial statements have been prepared in accordance with Canadian generally accepted accounting principles. The following are considered to be significant:

a) Measurement uncertainty

The preparation of financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets, liabilities, revenues, and expenses. Such estimates primarily relate to unsettled transactions and events as of the date of the financial statements. Actual amounts could differ from these estimates.

b) Financial instruments

The following is a summary of SDFC's financial instruments, their classification and measurement basis:

- Cash and money market investments are classified as held-for-trading and are measured at fair value with changes in fair value recognized in net earnings.
- Accounts payable and other short-term liabilities are classified as other liabilities and are measured at amortized cost.
- Investments are held-to-maturity and are measured at amortized cost.
- Annuities payable are classified as other liabilities and are measured at amortized cost.

2. Summary of Significant Accounting Policies (continued)

c) Revenue recognition

Revenue from investments held is recorded as income in the period earned. Revenue from management fees are recorded when service is provided.

3. Investments

Description	**2009 Cost**	**2009 Fair Value**	2008 Cost	2008 Fair Value
Money Market				
Money Market fund	**$ 189,975**	**$ 189,975**	$ 198,923	$ 198,923
Bonds and Debentures				
Canada Zero Coupon $585,000, June 1, 2009	-	-	574,870	583,081
Canada Zero Coupon $435,000, June 1, 2010	**427,593**	**434,300**	411,524	428,962
Canada Zero Coupon $1,124,000, June 1, 2011	**1,065,087**	**1,104,487**	1,023,332	1,089,459
B. C. Zero Coupon $485,000, Sept. 5, 2011	**443,804**	**472,521**	421,622	455,735
Canada Zero Coupon $125,000, June 1, 2012	**113,578**	**119,241**	108,830	118,239
Canada Zero Coupon $125,000, June 1, 2013	**109,192**	**114,800**	104,550	115,348
	2,159,254	**2,245,349**	2,644,728	2,790,824
Total Investments	**$ 2,349,229**	**$ 2,435,324**	$ 2,843,651	$ 2,989,747

3. Investments (continued)

a) Federal and provincial bonds are valued at their recognized public exchange closing sale price on their valuation date.

b) Total cash interest received on investments during the year was $175.9 thousand (2008 - $156.2 thousand).

c) Market Risk

SDFC has entered into long-term fixed income investments to match maturities of annuities payable with its asset portfolio. Therefore, SDFC's exposure to market risk is insignificant.

4. Annuities Payable

	2009	2008
Annuities payable at various interest rates, repayable in monthly, quarterly, semi-annual and annual installments until maturity	$ 71,604	$ 119,214
Less: current portion	43,935	47,610
Long-term portion of annuities payable	$ 27,669	$ 71,604

SDFC has 7 outstanding annuities at December 31, 2009, with maturing dates ranging from 2010 to 2013. Total gross payments on remaining annuities are $81.5 thousand (2008 - $141.8 thousand) assuming all annuities run to maturity.

Fair value of annuities payable is determined by discounting future payments at current market rates. Fair value of annuities payable at December 31, 2009 is $76.7 thousand (2008 - $133.7 thousand).

Interest paid on long-term annuities payable during the year, on a cash basis, was $12.6 thousand (2008 - $19.4 thousand).

5. Equity Advances and Capital Disclosures

SDFC does not have share capital. However, SDFC has received equity advances from its parent CIC to form its equity capitalization. The advances reflect an equity investment in SDFC by CIC. In 2009, SDFC repaid $450.0 thousand of equity advances to CIC.

SDFC is in the process of winding down its operations. Currently SDFC does not carry any debt other than annuities payable. SDFC is not expecting to borrow during its wind-down period. Any assets on dissolution will be transferred to CIC.

6. Fund Management Fees

SDFC recovers the costs it incurs in the management of the Fund by charging the Fund a management fee. This fee is limited by **The Saskatchewan Development Fund Act** to the lesser of 1.25% of the net value of the assets of the Fund or those corporate expenses directly attributable to the management of the Fund on an annual basis. On December 31, 2009, the Fund was closed; therefore, in 2010 no revenue will be earned through management fees.

7. Net Change in Non-Cash Working Capital Balances Related to Operations

	2009	2008
Increase in accounts payable	$ 22	$ 392
Decrease in due to Saskatchewan Development Fund	(810)	(1,711)
	$ (788)	$ (1,319)

8. Related Party Transactions

Included in these financial statements are transactions with various Saskatchewan Crown corporations, departments, agencies, boards and commissions related to the Corporation by virtue of common control by the Government of Saskatchewan and non-Crown corporations and enterprises subject to joint control or significant influence by the Government of Saskatchewan (collectively referred to as "related parties").

Routine operating transactions with related parties are settled at prevailing market prices under normal trade terms.

SDFC paid CIC $13,188 (2008 - $24,283) for accounting and technical services and lease of space under agreements between SDFC and CIC.

Other transactions and amounts due to and from related parties and the terms of settlement are described separately in these financial statements and the notes thereto.

9. Future Changes in Accounting Policy

In February 2008, the Canadian Accounting Standards Board confirmed that publicly accountable enterprises, including the Corporation, will be required to adopt International Financial Reporting Standards (IFRS) in place of Canadian GAAP for interim and annual reporting in fiscal years beginning on or after January 1, 2011, including comparative figures for the prior year. The Corporation has commenced an IFRS conversion project including initiating an IFRS implementation plan. The Corporation believes that its conversion project is progressing according to the project plan. The impact on the Corporation's future financial position and results of operations is not expected to be materially affected by the change in accounting standards.

ANNUAL REPORT TO THE SHAREHOLDERS

OF

SASKATCHEWAN DEVELOPMENT FUND

FOR THE YEAR ENDED

December 31, 2009

SASKATCHEWAN DEVELOPMENT FUND

HISTORY AND 2009 HIGHLIGHTS

The Saskatchewan Development Fund (the Fund) was established in 1974 as an open-end investment trust (mutual fund) under **The Saskatchewan Development Fund Act**. Over the years, the Fund offered five types of investment accounts to the public. These were registered retirement savings plans (RRSPs), registered homeownership savings plans (RHOSPs), deferred profit sharing plans (DPSPs), registered retirement income funds (RRIFs) and regular shareholder accounts. During 2009, the Fund administered only RRSPs and regular shareholder accounts.

In 1983, the Fund discontinued the sale of new shares to the public and became a discontinued open-end mutual fund. Since 1983, administration of the Fund has been focused on meeting the expectations of the Fund's clientele and on the orderly wind-down of the Fund's operations. On January 2, 2002 the Fund sold its individual asset holdings and purchased Greystone mutual funds. This action was taken to simplify fund management and decrease costs to the investor through reduced investment transaction fees and custodial fees.

At December 31, 2008, the Fund's net assets diminished to $3.0 million and 120 investors. In March 2009, the SDFC Board of Directors resolved to close the Fund. Clients were notified in June 2009 of this decision and a request was made to the investors to redeem or transfer their accounts to other advisors by December 31, 2009.

At December 31, 2009 all investors had either redeemed or transferred accounts with the exception of its three investors, who could not be located. The remaining three investors had a total of $1.5 thousand in their accounts at December 31, 2009. The Fund has redeemed these three accounts and the balance will be held with SDFC until their whereabouts can be determined. The Fund ceased operations on December 31, 2009.

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

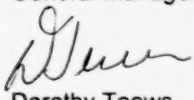
The accompanying Financial Statements have been prepared by management of Saskatchewan Development Fund Corporation. They have been prepared in accordance with generally accepted accounting principles in Canada, consistently applied, using management's best estimates and judgments where appropriate. Management is responsible for the reliability and integrity of the Financial Statements and other information contained in this Annual Report.

The Corporation's Board of Directors is responsible for overseeing the business affairs of the Corporation and also has the responsibility for approving the Financial Statements. The Board of Directors meets with management, and when necessary, the Corporation's external auditors Dudley & Company, LLP and the Provincial Auditor of Saskatchewan on matters relating to the financial process.

Management maintains a system of internal controls to ensure the integrity of information that forms the basis of the Financial Statements. The internal controls provide reasonable assurance that transactions are executed in accordance with proper authorization, that assets are properly guarded against unauthorized use and that reliable records are maintained. The Provincial Auditor of Saskatchewan has reported to the Legislative Assembly that these controls are adequately functioning.

Dudley & Company, LLP has audited the Financial Statements. Their report to the Members of the Legislative Assembly, stating the scope of their examination and opinion on the Financial Statements, appears on the following page.

John Amundson, CA
General Manager



Dorothy Toews
Treasurer

February 5, 2010

AUDITORS' REPORT

To the Members of the Legislative Assembly
Province of Saskatchewan

We have audited the statement of assets and liabilities of the Saskatchewan Development Fund as at December 31, 2009 and the statements of change in net assets and realized gain on sale of investments and operations for the year then ended. These financial statements are the responsibility of the Fund's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Saskatchewan Development Fund as at December 31, 2009 and the results of its operations and the changes in net assets for the year then ended in accordance with Canadian generally accepted accounting principles.

Dudley + Company LLP

Chartered Accountants
Regina, Saskatchewan
February 5, 2010

SASKATCHEWAN DEVELOPMENT FUND

STATEMENT OF ASSETS AND LIABILITIES

As at December 31

	2009	2008
ASSETS		
Investments (Note 3)	$ -	$ 2,942,271
Cash	-	23,838
Due from Saskatchewan Development Fund Corporation	-	810
	-	2,966,919
LIABILITIES		
Payable for shares redeemed	-	-
NET ASSETS REPRESENTING SHAREHOLDERS' EQUITY (Note 5)	$ -	$ 2,966,919
Nil shares (2008 - 264,062 shares) (Notes 4 & 5)		
NET ASSET VALUE PER SHARE	$ -	$ 11.24

(See accompanying notes)

On behalf of the Board:

, Director

, Director

SASKATCHEWAN DEVELOPMENT FUND

STATEMENT OF CHANGES IN NET ASSETS AND REALIZED GAIN ON SALE OF INVESTMENTS

For the Year Ended December 31

	2009	2008
CHANGE IN NET ASSETS		
Net assets at beginning of year	**$ 2,966,919**	$ 3,221,851
Net (loss) earnings for the year	**(7,798)**	119,760
Net realized gain on sale of investments	**51,982**	45,284
Net appreciation (depreciation) of investments	**159,461**	(324,707)
	3,170,564	3,062,188
Less:		
Amounts paid for shares redeemed	**3,170,564**	95,269
Net assets at end of year	**$ -**	$ 2,966,919
Net asset value per share	**$ -**	$ 11.24
REALIZED GAIN ON SALE OF INVESTMENTS		
Proceeds from sale of investments	**$ 6,169,546**	$ 620,454
Cost of investments sold during the year*	**6,117,564**	575,170
Realized gain on sale of investments	**$ 51,982**	$ 45,284
***Cost of Investments Sold During the Year**		
Cost of investments at beginning of year	**$ 3,101,732**	$ 3,023,148
Cost of investments purchased during the year	**3,015,832**	653,754
	6,117,564	3,676,902
Cost of investments at end of year	**-**	3,101,732
Cost of investments sold during the year	**$ 6,117,564**	$ 575,170

(See accompanying notes)

SASKATCHEWAN DEVELOPMENT FUND

STATEMENT OF OPERATIONS

For the Year Ended December 31

	2009	2008
REVENUE		
Interest	**$ 4,015**	$ 111,132
Dividends	**-**	32,406
	4,015	143,538
EXPENSES (Note 6)		
Management fees (Note 7)	**10,441**	21,227
Investment management fees	**1,369**	2,484
Bank service charges	**3**	67
	11,813	23,778
NET (LOSS) EARNINGS FOR THE YEAR	**$ (7,798)**	$ 119,760
NET (LOSS) EARNINGS PER SHARE (IN CENTS)	**(1.8)**	47.3

(See accompanying notes)

SASKATCHEWAN DEVELOPMENT FUND

NOTES TO FINANCIAL STATEMENTS

December 31, 2009

1. Status of the Fund

The Saskatchewan Development Fund (SDF) was established as an open-end investment trust in 1974 pursuant to **The Saskatchewan Development Fund Act** and is managed under the auspices of the Saskatchewan Development Fund Corporation (SDFC) which performs the duties of trustee, custodian and manager for the Fund. On July 15, 1983, the Fund discontinued the sale of new shares and became a "discontinued open-end" investment trust.

By resolution of the SDFC Board of Directors, SDF was dissolved effective December 31, 2009. All accounts were redeemed and distributed on or before December 31, 2009.

2. Summary of Significant Accounting Policies

SDF financial statements have been prepared in accordance with Canadian generally accepted accounting principles. The following are considered to be significant:

a) Valuation of investments

SDF's investments are recorded at fair value determined as follows:

Securities listed upon a recognized public exchange are valued at their closing sale price on the valuation date.

Securities not traded on that date are valued at a price between the latest closing recorded asked and bid prices.

Securities not listed upon any exchange are valued in the same manner as above based upon any available public quotation in common use or at a price estimated to be the fair value thereof.

b) Fair value

Cash, due to Saskatchewan Development Fund Corporation and payable for shares redeemed are carried at cost which approximates their fair value.

c) Investment transactions and income

SDF invested in three mutual funds offered by Greystone Managed Investments Inc. Transactions were recorded monthly and prorated to individual investors' accounts on the last working day of each month. Realized gains and losses from investment transactions were calculated in accordance with the average cost method.

3. Investments

Description	2009 Cost	2009 Fair Value	2008 Cost	2008 Fair Value
Greystone Money Market Fund 2009 - Nil units (2008 - 70,181 units)	$ -	$ -	$ 701,811	$ 701,811
Greystone Fixed Income Fund 2009 - Nil units (2008 - 169,150 units)	-	-	1,691,617	1,675,600
Greystone Canadian Equity Fund 2009 - Nil units (2008 - 32,189 units)	-	-	708,304	564,860
Total Investments	$ -	$ -	$ 3,101,732	$ 2,942,271

4. Taxation

The Fund qualifies as a mutual fund trust under the **Income Tax Act** and is fully registered to administrate four types of equity accounts. These are registered retirement savings plans, deferred profit sharing plans, registered retirement income funds and regular shareholder accounts.

5. Shareholders' Equity

a) Shareholders' equity included the amounts representing the shareholders' net initial investments, reinvested earnings, realized gains or losses on sale of investments and unrealized appreciation or depreciation of investments.

b) The shares of SDF were redeemable in accordance with the provisions of **The Saskatchewan Development Fund Act** and with respect to the taxation status of the shareholder's account.

c) At the direction of the SDFC Fund Board, the Fund began wind-up of its operations on June 30, 2009. Wind-up of the Fund was completed on December 31, 2009 and all accounts were redeemed.

6. Expense Ratio

The following is the ratio of all expenses of the Fund, expressed as a percentage of the average of the net assets calculated for the purpose of the redemption of shares of the Fund, as at each valuation date of the Fund:

	Year Ended December 31				
	2009	2008	2007	2006	2005
Expense ratio	**0.55%**	0.76%	0.92%	0.88%	0.80%

7. Management Fees

SDFC recovers the costs it incurs in the management of the Fund by charging the Fund a management fee. This fee is limited by **The Saskatchewan Development Fund Act** to the lesser of 1.25% of the net value of the assets of the Fund or those corporate expenses directly attributable to the management of the Fund on an annual basis.

8. Related Party Transactions

Included in these financial statements are transactions with various Saskatchewan Crown corporations, departments, agencies, boards and commissions related to the Fund by virtue of common control by the Government of Saskatchewan and non-Crown corporations and enterprises subject to joint control or significant influence by the Government of Saskatchewan (collectively referred to as "related parties").

Routine operating transactions with related parties are settled at prevailing market prices under normal trade terms. Other amounts and transactions due to and from related parties and the terms of settlement are described separately in these financial statements and the notes thereto.